

SANTA BARBARA COUNTY ECONOMIC FORECAST

Santa Barbara County, located immediately northwest of Ventura County, is dominated by three principal economic activities: tourism, Vandenberg Air Force Base, and education. It has a population of 448,400 people and a total of 201,600 wage and salary jobs. The income per capita is \$56,525 and the average salary per worker is \$62,413.

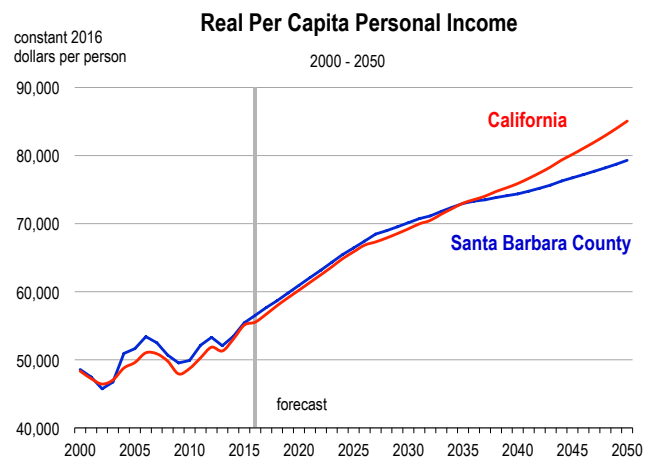
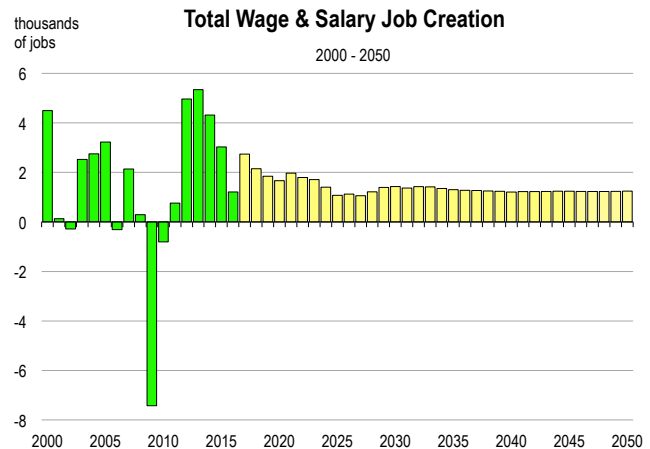
Across Southern California, employment increased by 2.6 percent in 2016. In Santa Barbara County, 1,200 wage and salary jobs were created, representing a growth rate of 0.6 percent. The unemployment rate improved during the year, falling from 5.3 percent in 2015 to 5.0 percent in 2016.

In 2016, the largest employment gains were observed in healthcare and education (+790 jobs), leisure and hospitality (+780 jobs), construction (+480 jobs), information (+470 jobs), and manufacturing (+450 jobs). The largest losses were in government (-590 jobs), professional and business services (-440 jobs), agriculture (-290 jobs), natural resources (-250 jobs), and wholesale and retail trade (-230 jobs).

Between 2011 and 2016, the population of Santa Barbara County grew at an average rate of 1.1 percent per year. This growth was due partially to in-migration, with an average of 1,900 net migrants entering the county each year between 2011 and 2016.

FORECAST HIGHLIGHTS

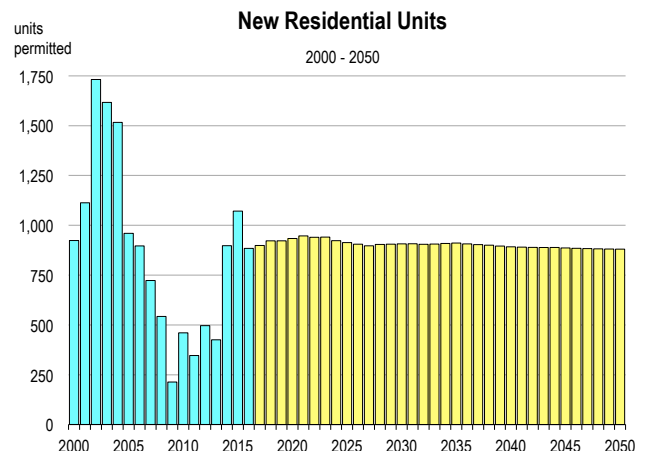
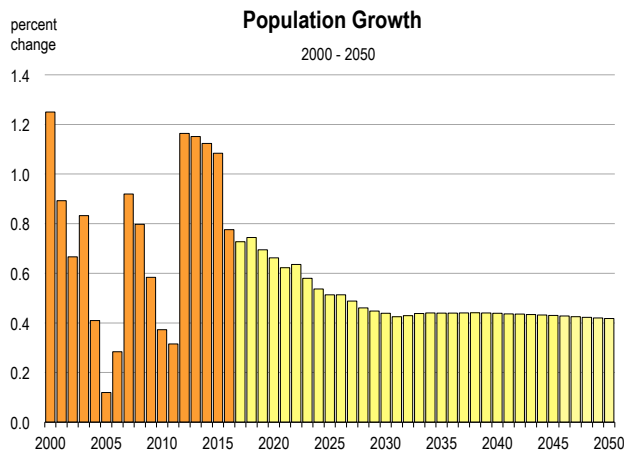
- In 2017, total employment is expected to increase by 1.4 percent. Over the 2017-2022 period, growth is expected to average 0.9 percent per year.
- Average salaries are currently below the California state average, and will remain so over the forecast horizon. In Santa Barbara County, inflation-adjusted salaries are forecast to rise at a rate of 1.7 percent per year from 2017 to 2022.
- Over the 2017-2022 period, the largest employment gains will be observed in professional services, government, and education and healthcare. Combined, these industries will account for 58 percent of net job creation in the county.
- Population growth will be relatively moderate. Growth in the 2017-2022 period will average 0.7 percent per year.
- Net migration will be positive over the 2017-2022 period, with an average of 440 net migrants entering the county each year. Northern Santa Barbara County will be characterized by positive net migration, while Southern Santa Barbara County will lose residents through out-migration.
- Real income per capita is expected to rise at an average annual rate of 1.8 percent from 2017 to 2022.
- Total taxable sales, adjusted for inflation, are expected to increase by an average of 1.2 percent per year during the 2017-2022 period.
- From 2017 to 2022, industrial production will rise by an average of 1.0 percent per year.
- Farm production will increase by 0.9 percent per year between 2017 and 2022. The principal crop in the county is the strawberry.



Santa Barbara County Economic Forecast

2010-2016 History, 2017-2050 Forecast

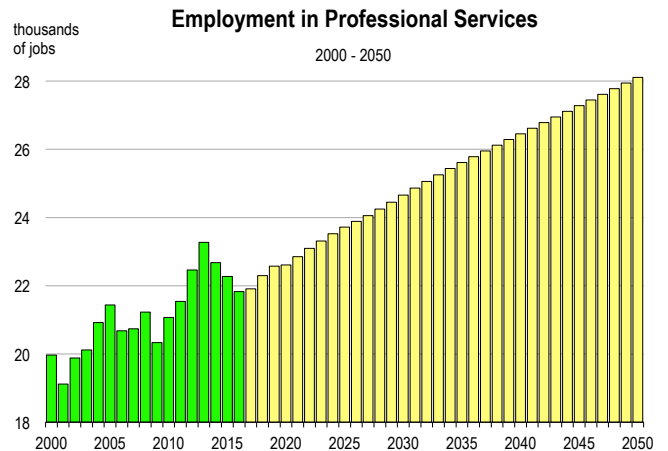
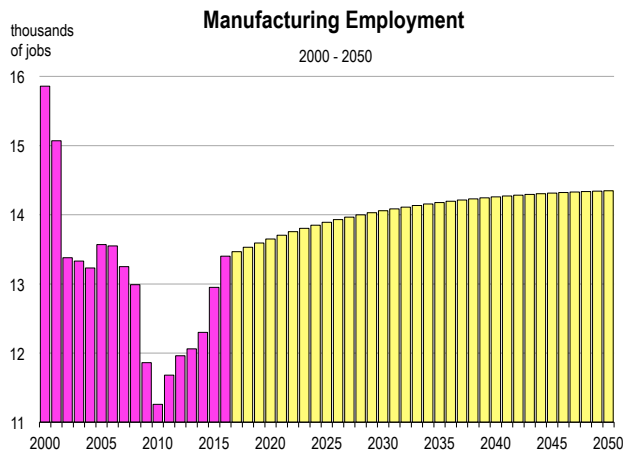
	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
2010	423,999	-1,515	368.1	142	460	\$5.31	\$19.18	\$49,915	1.2	1,346	3.37	9.7
2011	425,335	-1,529	366.1	143	347	\$5.72	\$20.63	\$52,132	2.7	1,284	3.57	9.4
2012	430,287	2,202	366.7	143	496	\$6.05	\$21.77	\$53,290	2.0	1,360	3.88	8.4
2013	435,241	2,243	372.7	144	426	\$6.33	\$21.75	\$52,075	1.1	1,497	3.89	7.2
2014	440,129	2,133	386.4	144	898	\$6.61	\$22.87	\$53,424	1.4	1,532	3.91	6.1
2015	444,900	1,992	393.9	145	1,071	\$6.77	\$24.21	\$55,437	0.9	1,507	3.73	5.3
2016	448,353	741	403.8	146	884	\$6.92	\$25.34	\$56,525	1.9	1,523	3.74	5.0
2017	451,614	574	408.5	147	899	\$7.15	\$26.69	\$57,655	2.5	1,536	4.05	4.7
2018	454,975	693	412.3	147	922	\$7.44	\$28.09	\$58,660	2.7	1,551	4.01	4.3
2019	458,137	511	415.6	148	922	\$7.74	\$29.64	\$59,801	2.8	1,564	4.06	4.4
2020	461,171	401	418.6	149	934	\$8.06	\$31.28	\$60,928	2.9	1,578	4.17	4.5
2021	464,042	250	422.0	150	947	\$8.38	\$32.96	\$62,078	2.8	1,592	4.21	4.6
2022	466,992	345	425.2	151	940	\$8.72	\$34.76	\$63,154	3.0	1,606	4.26	4.7
2023	469,701	121	428.2	151	941	\$9.06	\$36.53	\$64,324	2.6	1,621	4.35	4.9
2024	472,222	-48	430.7	152	923	\$9.43	\$38.33	\$65,481	2.5	1,636	4.43	5.0
2025	474,647	-131	432.6	153	913	\$9.78	\$40.02	\$66,426	2.4	1,651	4.50	5.1
2026	477,084	-102	434.7	154	905	\$10.15	\$41.76	\$67,419	2.3	1,666	4.56	5.1
2027	479,413	-191	436.6	155	897	\$10.49	\$43.69	\$68,471	2.5	1,682	4.65	5.1
2028	481,621	-291	438.8	155	904	\$10.88	\$45.41	\$68,979	2.7	1,698	4.75	5.1
2029	483,779	-322	441.2	156	905	\$11.28	\$47.04	\$69,544	2.3	1,714	4.86	5.1
2030	485,903	-337	443.7	157	907	\$11.71	\$48.65	\$70,131	2.1	1,731	4.96	5.1
2031	487,968	-378	446.1	158	907	\$12.12	\$50.26	\$70,734	2.0	1,748	5.03	5.1
2032	490,063	-331	448.6	158	905	\$12.59	\$51.84	\$71,145	2.1	1,765	5.15	5.1
2033	492,210	-262	451.0	159	906	\$13.06	\$53.69	\$71,794	2.2	1,783	5.26	5.0
2034	494,377	-219	453.4	160	909	\$13.54	\$55.63	\$72,398	2.3	1,801	5.37	5.1
2035	496,550	-193	455.7	161	911	\$13.98	\$57.68	\$72,974	2.4	1,820	5.49	5.0
2036	498,734	-162	457.9	162	907	\$14.39	\$59.52	\$73,287	2.3	1,839	5.61	5.0
2037	500,930	-128	460.2	162	903	\$14.81	\$61.28	\$73,508	2.2	1,858	5.73	5.0
2038	503,139	-93	462.4	163	900	\$15.19	\$63.13	\$73,847	2.1	1,878	5.86	5.0
2039	505,354	-66	464.6	164	896	\$15.58	\$64.96	\$74,094	2.1	1,898	5.99	5.0
2040	507,573	-40	466.7	165	892	\$16.03	\$67.02	\$74,375	2.3	1,918	6.10	5.0
2041	509,789	-20	468.9	165	891	\$16.51	\$69.31	\$74,750	2.5	1,939	6.23	5.0
2042	512,010	9	471.0	166	889	\$16.98	\$71.63	\$75,183	2.3	1,961	6.35	5.0
2043	514,232	32	473.2	167	889	\$17.49	\$74.07	\$75,668	2.3	1,983	6.48	5.0
2044	516,454	56	475.4	168	889	\$17.95	\$76.62	\$76,261	2.2	2,005	6.62	5.0
2045	518,676	81	477.6	168	886	\$18.43	\$79.04	\$76,724	2.1	2,028	6.76	5.0
2046	520,896	103	479.7	169	885	\$18.93	\$81.64	\$77,212	2.2	2,051	6.90	5.0
2047	523,111	122	481.9	170	883	\$19.47	\$84.40	\$77,692	2.3	2,075	7.05	5.0
2048	525,322	143	484.1	171	882	\$20.01	\$87.22	\$78,193	2.3	2,099	7.20	5.0
2049	527,529	164	486.2	172	881	\$20.60	\$90.30	\$78,727	2.4	2,124	7.36	5.0
2050	529,733	186	488.4	172	880	\$21.21	\$93.56	\$79,290	2.5	2,149	7.52	5.0

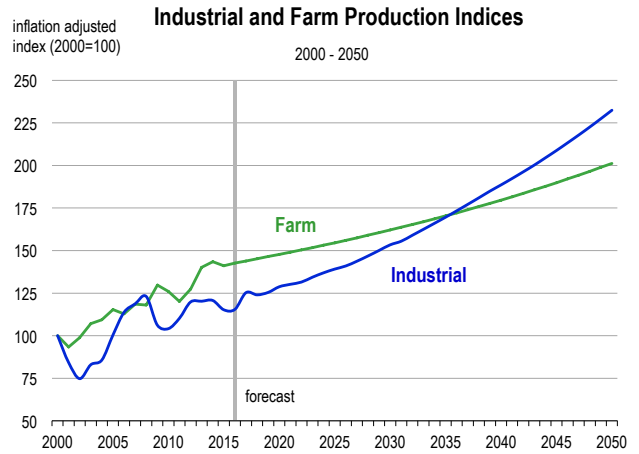
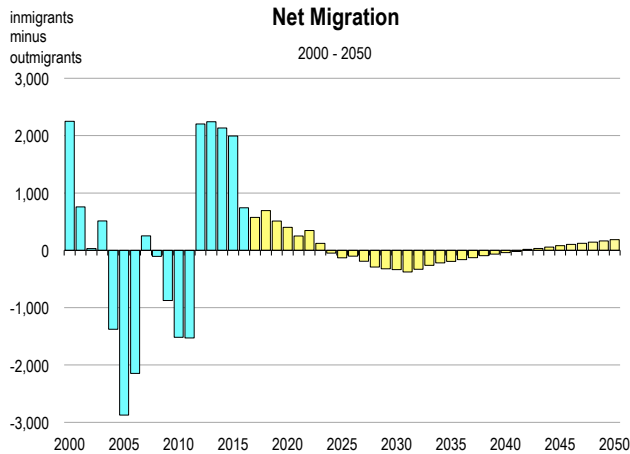
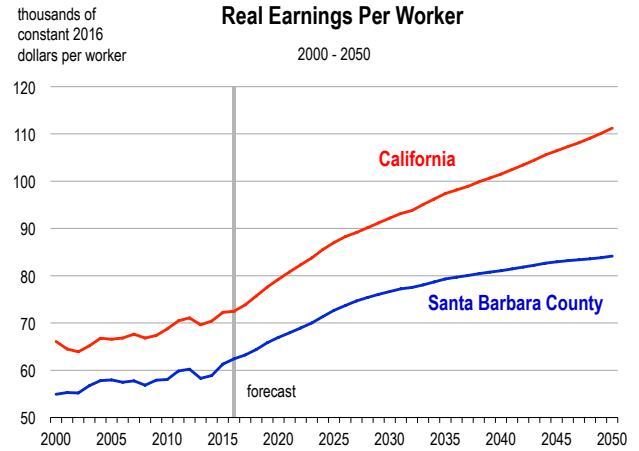
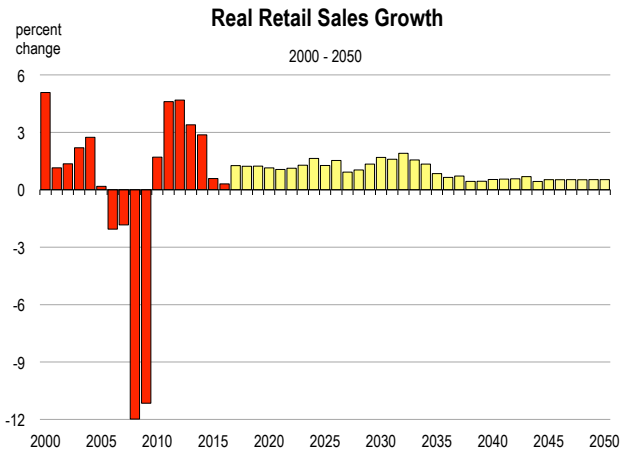


Santa Barbara County Employment Forecast

2010-2016 History, 2017-2050 Forecast

	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
	-----employment (thousands of jobs)-----											
2010	182.0	18.6	7.0	11.3	2.8	21.9	6.4	21.1	3.5	23.0	21.9	38.2
2011	182.7	18.2	6.8	11.7	2.8	21.8	6.5	21.5	3.6	23.5	22.1	37.8
2012	187.7	18.8	6.8	12.0	3.0	22.7	6.5	22.5	4.2	24.0	22.9	37.7
2013	193.0	19.3	7.2	12.1	3.3	23.5	6.5	23.3	4.3	24.6	24.4	37.9
2014	197.4	21.0	7.4	12.3	3.3	23.9	6.4	22.7	4.4	25.1	25.5	38.3
2015	200.4	21.0	7.8	13.0	3.3	24.2	6.4	22.3	4.5	25.7	26.5	38.7
2016	201.6	20.7	8.3	13.4	3.2	24.0	6.5	21.8	5.0	26.5	27.3	38.1
2017	204.3	21.0	8.4	13.5	3.1	24.4	6.5	21.9	5.0	27.1	27.9	38.5
2018	206.5	21.2	8.6	13.5	3.1	24.6	6.5	22.3	5.0	27.6	28.0	39.0
2019	208.3	21.4	8.7	13.6	3.1	24.7	6.6	22.6	5.0	28.0	28.3	39.4
2020	210.0	21.5	8.8	13.6	3.0	24.7	6.6	22.6	5.0	28.4	28.7	39.9
2021	212.0	21.7	8.9	13.7	3.0	24.8	6.6	22.9	5.0	28.7	29.1	40.4
2022	213.8	21.9	9.0	13.8	3.0	24.9	6.6	23.1	5.1	29.1	29.6	40.8
2023	215.5	22.0	9.0	13.8	3.0	24.9	6.6	23.3	5.1	29.4	30.0	41.2
2024	216.9	22.2	9.1	13.8	3.1	25.0	6.6	23.5	5.1	29.7	30.2	41.5
2025	218.0	22.4	9.0	13.9	3.1	25.1	6.6	23.7	5.1	30.1	30.4	41.6
2026	219.1	22.6	9.0	13.9	3.0	25.2	6.6	23.9	5.1	30.4	30.6	41.7
2027	220.1	22.7	9.0	14.0	3.0	25.3	6.5	24.1	5.1	30.7	30.7	41.8
2028	221.4	22.9	9.0	14.0	3.0	25.3	6.5	24.2	5.1	31.0	30.9	42.0
2029	222.8	23.1	9.0	14.0	3.0	25.5	6.5	24.4	5.1	31.4	31.1	42.2
2030	224.2	23.3	9.1	14.1	3.0	25.6	6.5	24.7	5.1	31.7	31.4	42.4
2031	225.6	23.5	9.1	14.1	3.0	25.7	6.5	24.9	5.1	32.0	31.7	42.6
2032	227.0	23.6	9.2	14.1	3.0	25.9	6.5	25.1	5.1	32.3	31.9	42.8
2033	228.4	23.8	9.2	14.1	2.9	26.0	6.5	25.3	5.1	32.6	32.2	43.0
2034	229.8	24.0	9.3	14.2	2.9	26.1	6.5	25.4	5.1	32.8	32.5	43.3
2035	231.1	24.2	9.4	14.2	2.9	26.2	6.5	25.6	5.1	33.0	32.7	43.5
2036	232.3	24.4	9.4	14.2	2.9	26.3	6.5	25.8	5.2	33.3	33.0	43.7
2037	233.6	24.6	9.4	14.2	2.9	26.3	6.5	26.0	5.2	33.5	33.3	43.9
2038	234.9	24.8	9.5	14.2	2.9	26.4	6.5	26.1	5.2	33.8	33.5	44.2
2039	236.1	25.0	9.5	14.2	2.9	26.4	6.5	26.3	5.2	34.0	33.8	44.4
2040	237.3	25.2	9.5	14.3	2.9	26.5	6.5	26.5	5.2	34.2	34.1	44.6
2041	238.5	25.4	9.6	14.3	2.8	26.5	6.5	26.6	5.2	34.4	34.4	44.8
2042	239.8	25.6	9.6	14.3	2.8	26.6	6.5	26.8	5.2	34.6	34.7	45.0
2043	241.0	25.8	9.7	14.3	2.8	26.6	6.5	26.9	5.2	34.8	35.0	45.3
2044	242.2	26.0	9.7	14.3	2.8	26.7	6.5	27.1	5.2	35.0	35.2	45.5
2045	243.5	26.3	9.8	14.3	2.8	26.7	6.5	27.3	5.2	35.1	35.5	45.7
2046	244.7	26.5	9.8	14.3	2.8	26.8	6.5	27.4	5.2	35.3	35.8	45.9
2047	245.9	26.7	9.9	14.3	2.8	26.8	6.5	27.6	5.2	35.5	36.1	46.1
2048	247.2	26.9	9.9	14.3	2.8	26.9	6.5	27.8	5.2	35.6	36.4	46.4
2049	248.4	27.1	10.0	14.3	2.8	26.9	6.5	27.9	5.2	35.8	36.7	46.6
2050	249.6	27.4	10.0	14.3	2.8	27.0	6.5	28.1	5.2	35.9	37.0	46.8





County Economic and Demographic Indicators

Projected Economic Growth (2017-2022)

Expected retail sales growth:	5.9%
Expected job growth:	4.6%
Fastest growing jobs sector:	Health & Education
Expected personal income growth:	13.3%

Expected population growth:	3.4%
Net migration to account for:	14.3%
Expected growth in number of vehicles:	4.1%

Demographics (2017)

Unemployment rate (April 2017):	4.0%
County rank* in California (58 counties):	15th
Working age (16-64) population:	65.5%

Population with B.A. degree or higher:	31.9%
Median home selling price (2016):	\$470,000
Median household income:	\$65,880

Quality of Life

Violent crime rate (2015):	294 per 100,000 persons
County rank* in California (58 counties):	19th
Average commute time to work (2017):	21 minutes

High school drop out rate (2016):	6.6%
Households at/below poverty line (2017):	10.5%

* The county ranked 1st corresponds to the lowest rate in California